



504 Loan Program

Fixed Asset Financing for Small Businesses

504 loans can be used to:

- Purchase land and construct new buildings
- Acquire and install machinery
- Purchase and renovate existing buildings
- Expand existing facilities

They work best on:

- General projects up to \$12.5 million
- Manufacturing projects up to \$13.75 million

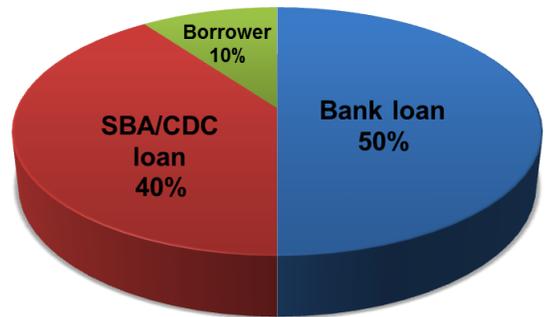
Advantages:

- Low down payment - as little as 10 percent
- Long term repayment - 10, 20 or 25 years
- Low, fixed interest rate

504 loan structure

Example: \$3,750,000 project

	Amount	Security
Bank loan	\$1.875 million	1st Lien
SBA/CDC	\$1.5 million	2nd Lien
Borrower	\$375,000	
Total	\$3.75 million	



Contact a CDC to learn more about securing a 504 loan

Illinois has SBA-licensed Certified Development Companies that work closely with borrowers and banks to package, process, and service 504 loans. The loans are funded by the sale of SBA-guaranteed debentures on Wall Street. These government-guaranteed bonds enable 504 borrowers to obtain low, fixed interest rates on 10- or 20-year loans. Call one of the CDCs below to find out if a 504 loan is right for you.

Illinois Bus. Financial Services	Peoria & Chicago, IL	Marisa Randle-Williams	(309) 472-0099
Regional Development Company	Homewood, IL	Erica Dombey	(708) 960-3177
Rockford Local Development Corp.	Rockford, IL	John Phelps	(815) 987-8675
Small Business Growth Corp.	Springfield, IL	Douglas L. Kinley	(800) 577-2772
Small Business Growth Corp.	Chicago, IL	Joel Herscher	(773) 880-1455
Small Business Growth Corp.	West Frankfort, IL	Steve Lindsey	(618) 920-2472
SomerCor 504, Inc.	Chicago, IL	Manny Flores	(312) 360-3304
South Central Il Reg Dev	Salem, IL	James Patrick	(618) 548-4334
Wessex 504 Corp.	Chicago, IL	Karen Lennon	(312) 527-4927